



NEWS RELEASE

LOS ANGELES PRESS OFFICE

Release Date: May 21, 2004

Release Number: 04-136

Contact: Frank Brancale (818) 552-3203

Internet Address: www.sba.gov/news/

SBA Financing Fulfills Dreams For Family Owned Business

The remarkable saga of the Lara Family is the quintessential immigrant success story, one that has been played out in every community in every major city throughout America, where the smoggy air is unable to stifle the dreams that the less fortunate use to express their yearning for a better life. In this scenario, however the aspirations occur in Mexico and in East LA. Having just married Mercedes when he turned 18, Humberto Lara and his bride left the impoverished town of La Cienega, Zacatecas in Mexico and headed for Los Angeles with the clothes on their backs and \$50 that they were able to borrow. A cousin rented the young couple a small space in what, in effect, was a chicken coop and the Laras started the California chapter of their story.

Ten years and six children later the Laras purchased their first home. At this time, Humberto was working as a butcher and looking for ways to earn additional income to support the family. These thoughts became reality as the Lara Family opened Tacos Rinconcito to sell Mexican fast food to the surrounding businesses in the City of Bell. This operation served them well but did not completely sate their entrepreneurial spirit.

An opportunity to buy a full scale restaurant in Maywood presented itself and in 1987 Las Trancas Restaurant was born. In 1994, Humberto and Mercedes added a banquet hall business to complement the restaurant. By offering some of the Southland's best Mexican seafood entrees, Las Trancas became a local Latino legend which helped underscore the early success of the family business. In 1997, CBS Channel 2 News rated Las Trancas as one of the top 500 restaurants in Los Angeles County.

The key to success was the familial atmosphere that transcended the presence of excellent cuisine. Las Trancas was truly a family owned business. It was obvious that Humberto and Mercedes headed the operations; however, four of the children actively work in the Restaurant or Salon, and the other siblings have a passive affinity for the business.

Demand soon exceeded seating capacity, and the Lara Family decided to expand. Plans were established to enlarge the restaurant and to add another banquet hall. This time the Laras had to reach outside of the family resources to achieve this phase of business growth. They were in need of substantial financing for expansion.

It appeared that the Lara story would have an abbreviated ending. Several attempts to procure outside financing came to no avail. Without access to outside capital, the family business would not be able to reach its full potential and the dream would be over. It seemed that area financial institutions were reluctant to underwrite the restaurant expansion, categorizing the industry as too risky. The feasibility of acquiring a loan for another banquet also became questionable, in light of the fact that local bankers did not understand that end of the business.

Things appeared dim for the family, but because of the entrepreneurial spirit of both Humberto and Mercedes they remained firm and committed to persevere, just as they had done in the past when confronted by what appeared to be insurmountable obstacles. Their focused tenacity paid off in 1999, when they had the fortune to connect with Craig Conner, Vice President of the SBA Loan Department at Pacific Crest Bank (PCB). Craig visited the sites, acquired a solid grasp of the business operations and became well acquainted with the family behind this family-owned enterprise.

As a result of the relationship established between Craig's Bank and Las Trancas, two SBA 7 (a) loans have been made to the Laras. In 1999 the first loan doubled the restaurant capacity and added a beautiful patio eating area. The second loan financed the second location for the banquet business.

As an epilog, today, Humberto and Mercedes Lara are the proud owners of a thriving enterprise that provides security for the entire family, and has created three dozen jobs within the local community. In honor of their accomplishments, the U.S. Small Business Administration (SBA) today selected Humberto and Mercedes Lara and Las Trancas Restaurant as winners of the Family Owned Business Award. The award will be presented to Mr. and Mrs. Lara at the SBA's 23rd Annual Small Business Week Awards

Luncheon to be held from 11:30 a.m. to 1:30 p.m. on Tuesday, May 25, 2004 at the Millennium Biltmore Hotel in downtown Los Angeles.

SBA Los Angeles Office District Director Alberto G. Alvarado praised Mr. and Mrs. Lara for their accomplishments stating, "Humberto and Mercedes Lara epitomize the immigrant entrepreneur. They had to struggle to achieve each phase of their dream, but fortunately were endowed with the vision and the stick-to-it-tive-ness to persevere, and to seek the appropriate assistance. We are proud of what they have achieved for themselves, their family, and for Maywood and the surrounding community."

Las Trancas Restaurant contact information:
5351 Atlantic Boulevard
Maywood, California
(323) 560-2494

To find out more about SBA Loan Programs and Services visit the Agency's user friendly web site www.sba.gov or call one of the following Economic Development Specialists at the SBA's Los Angeles District Office:

Sandra Buck (818) 552-3308
Chuck Edgington (818) 552- 3241
Barbara Madel (818) 552-3314
Fernando Olivares (818) 552 -3256

###